

Beverly T. Rodeschin Chairman

State of New Hampshire

HOUSE OF REPRESENTATIVES

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Karen K. McRae

Vice Chairman

1-800-735-2964 DOCKET FILE COPY ORIGINAL COMMITTEE ON SCIENCE, TECHNOLOGY AND ENERGY

March 10, 1994

Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

Re: Implementation of Section 17 of the Cable Television Consumer Protection and Competition Act of 1992 ("the CATV ACT") -- Compatibility Between Cable Systems and Consumer Electronics Equipment)

Dear Sir/Madam:

This letter is submitted by the Committee on Science, Technology and Energy of the New Hampshire House of Representatives ("the Committee") in connection with the proposed rulemaking by the Federal Communications Commission ("FCC") regarding compatibility between cable systems and consumer electronic equipment.

Under the rules of the New Hampshire House of Representatives, the Committee has jurisdiction over issues relating to the management and delivery of cable television ("CATV") services in our state. Over the past years, the Committee has had occasion to review numerous pieces of proposed legislation involving CATV services and has become familiar with a broad range of issues of concern to New Hampshire citizens.

We are aware, of course, of the leading role accorded the FCC by the CATV Act in devising nationally applicable standards for CATV services, including issues relating to rates and equipment charges to consumers by CATV companies. This letter is written to urge the FCC to expedite, to the greatest extent possible, the commendable efforts to exercise that leading role in the area of equipment compatibility which it began with its December 1, 1993 Notice of Proposed Rulemaking (E.T. Docket No. 93-7) (the "Notice").

The issue of compatibility between existing consumer electronic equipment -- so-called "cable-ready" televisions and VCRs -- and CATV systems has been a contentious one in several New Hampshire communities in which scrambling or encryption, with concommitant required use of set-top decoders, is being used or proposed as a general signal security measure by CATV companies.

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The Committee believes that system—wide scrambling, coupled with required use of set—top decoders is not always the most effective, nor the least expensive method available to CATV companies to ensure signal security. Moreover, use of set—top decoders as a requisite for signal reception by consumers may impose additional costs on consumers beyond the rates and general equipment costs currently permitted by federal regulations.

In addition, required use of set-top decoders may impose burdens on particular citizens, including the elderly or disabled, who may have difficulty using or understanding instructions for signal control systems other than those contained on their television sets.

For these reasons, the Committee strongly supports the FCC's proposal to ban signal scrambling at the basic tier of service. Notice Par. 13. It is our belief that a ban on basic tier signal scrambling would ensure that New Hampshire consumers could receive all local, regional and educational broadcast stations carried at basic tier levels without additional cost or physical burden. In a state where broadcast signals are often compromised or unavailable due to geography, such a rule would be particularly effective in protecting older or disabled citizens for whom access to basic tier CATV programming can be a physical and emotional lifeline.

We further urge the FCC to adopt rules banning scrambling for any "extended basic" package of basic plus other channels which CATV companies may offer to consumers. <u>Id</u>. It is our belief that applying different scrambling rules to a single service tier could result in confusion to consumers, particularly the elderly or disabled.

In addition, the Committee suggests that the FCC consider the propriety of prohibiting CATV companies from instituting system-wide scrambling on all non-premium programming tiers; or promulgating standards for use of technologies other than set-top decoders, such as external traps, to permit direct in-home reception of CATV non-premium signals.

The Committee also supports the FCC's proposal that CATV companies provide consumers with component descramblers for "cable-ready" television sets at no separate charge and suggests that this rule be extended to set-top decoders used as descrambling devices. Notice, Par. 30. The Committee believes that such an approach would properly allocate the charge for a system-wide requirement as a component of system overhead, while protecting consumers from the burden of being separately charged for a required decoder on each outlet in a given home or location.

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Finally, the Committee commends the FCC's efforts to ensure that coordinated standards among CATV systems and consumer electronic equipment manufacturers will lead to the creation of CATV systems which are truly accessible to all citizens at fair and reasonable costs.

We thank you for your continuing efforts in this area of joint concern.

Very truly yours,

Rep. Beverly T. Rodeschin, Chair Science, Technology and Energy

Committee

BTR/sg